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**National Finance Center**  
Office of Personnel Management  
FEHB Centralized Enrollment  
Clearinghouse Project

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# Risk Analysis and Management Plan

Approved by:

(signed)  
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Date

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# **Risk Analysis and Management Plan**

## **1.0 Purpose**

This is the Risk Analysis and Management Plan for the Office of Personnel Management (OPM), Federal Employees Health Benefits (FEHB), Centralized Enrollment Clearinghouse Project (CLER). Risk analysis is the process of identifying, evaluating, and estimating the risk associated with construction and delivery of the CLER project. Risk assessment is the process of determining what actions to take to eliminate and/or control identified hazards. Risk management involves controlling risks and monitoring the success of these control mechanisms.

The National Finance Center (NFC) project manager is responsible for ensuring that throughout the life cycle of the project (proposal, agreements, requirements, design, development, and implementation) risks are identified, assessed, documented, tracked, and that mitigation strategies for individual risks are followed.

## **2.0 Risk Analysis**

### **2.1 Risk Identification and Mitigation**

Listed in Section 2.4, Risks Assessment by Work Breakdown Structure (WBS) Activity Elements, are descriptions of the methodology used to define and track risks for each category. For example, risks identified in the proposal and agreement stages can be documented as assumptions. Approval of these project documents confirms the client's agreement that there are potential risks if what is assumed does not materialize. The assumptions are the basis for project cost, time, and quality. Risks shall be identified on an ongoing basis and monitored weekly.

During weekly project status meetings, project leaders will present information regarding the status of their assigned tasks, including any ongoing or anticipated problems. This includes any client or user input that has been received since the previous meeting. Risks identified during the status reporting will be recorded in the meeting notes. Any significant risk will remain as an agenda item for future meetings until it is closed. If the risk resolution is dependant on the client's decision, task, or solution, it will be documented as an issue in the Issues/Task List. The issues will be documented and tracked to resolution.

The NFC project manager will be responsible for coordinating the assessment, likelihood, and potential severity of any identified risk. This coordination may have an internal (within NFC) or external (client) impact.

## **2.2 Risk Documentation and Tracking**

The NFC project manager is responsible for ensuring that any significant identified risks/issues are properly documented and tracked to closure.

Risks will be documented and identified to the corresponding assumptions in the project proposal, the project plan, and subsequent revisions to the project plan. Newly identified internal risks, or those whose status has changed, will be documented in the weekly project status meeting notes. Those that affect the client will be tracked in the Issues/Task List. The status of all risks will be tracked via the weekly project status meetings.

## **2.3 Risk Avoidance, Mitigation, and Recovery**

The NFC project manager will also assign responsibility for risk avoidance or mitigation to the appropriate individuals at NFC or refer them to the client for resolution. A strategy or action plan for avoiding, mitigating, or recovering from an encountered risk will be established. If the risk cannot be dealt with at the project team level, the project manager will elevate the risk to NFC management via the NFC executive sponsor. Risks/issues that must be referred to the client for resolution will be referred with a proposed solution and, when appropriate, an impact analysis relative to the project cost, time, and quality.

## **2.4 Risks Assessment by WBS Activity Elements**

The following is the WBS for the CLER project with the method used to identify risks.

	<b>WBS Activity Elements</b>	<b>Potential Risks</b>
<b>1</b>	<b>Develop OPM Clearinghouse</b>	
<b>2</b>	<b>Obtain Management Approval</b>	All risks identified will be documented as assumptions in the proposal, Interagency and Reimbursable Agreements.
<b>3</b>	<b>Conduct Joint Application Design (Requirements Phase)</b>	Risks, issues or the tasks, that if they are not accomplished would result in a risk, will be documented, communicated to the client, and incorporated in the Issues/Task List for tracking and resolution.

	<b>WBS Activity Elements</b>	<b>Potential Risks</b>
<b>4</b>	<b>Brief Management and Obtain Approval</b>	All risks/issues identified in various meetings held to brief client and NFC management groups will be consolidated and documented in the Issues/Task List.
<b>5</b>	<b>Develop Detail System Specifications (Detail Design Phase)</b>	Issues/risks defined during this phase will be incorporated in the Issues/Task List.
<b>6</b>	<b>Implement/Ready IT Infrastructure</b>	Issues/risks arising from this activity are of an internal nature and will be documented and tracked in weekly status meetings.
<b>7</b>	<b>Develop and Test Application (Development)</b>	Issues/risks arising from this activity are usually of an internal nature and will be documented and tracked in weekly or special meetings as required. Results can be verified by developing a prototype for review by the users.
<b>8</b>	<b>Perform Test and Certification</b>	The NFC established procedures and standards for testing and certification will be used for CLER. Detailed documentation of test results, defects and corrections will be maintained for CLER to mitigate any risks relative to system performance and functionality.
<b>9</b>	<b>Develop FEHB Clearinghouse Procedures</b>	There should be very little if any risk associated with the development of procedures. Much of the documentation will have already been agreed upon. Final procedures will be approved by the client and available in help text within the application to the degree possible.
<b>10</b>	<b>Develop/Train NFC Administrative Staff</b>	A detailed training plan will be developed to identify the training material and trainees. This task is internal to NFC and any issues/risks will be documented and tracked as part of the weekly meeting.

	<b>WBS Activity Elements</b>	<b>Potential Risks</b>
<b>11</b>	<b>Implement Pilot Clearinghouse at NFC</b>	There will also be an implementation plan used to manage the pilot implementation. This is also internal and will be documented and tracked in conjunction with weekly or special implementation meetings.
<b>12</b>	<b>Advise and Train/Assist User Community</b>	Training plans will also be used to coordinate and appropriately train and advise users. These plans will be approved by the client since it has external impact. Any issues, tasks or risks requiring decisions or action by the client will be incorporated in the Issues/Tasks List for tracking and resolution.
<b>13</b>	<b>Implement FEHB Clearinghouse</b>	An implementation plan for all users will be developed in conjunction with the client. This task will also have external impact, and any tasks or risks will be added to the Issues/Task List and tracked till resolved.